

ASSEMBLY BILL

No. 1359

Introduced by Assembly Member Chan

February 22, 2005

An act to add Sections 1348.5 and 100186 to the Health and Safety Code, and to add Section 12939 to the Insurance Code, relating to health care coverage, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1359, as introduced, Chan. Prescription drug plans.

Existing law, the Knox-Keene Health Care Service Plan of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law also provides for the licensure and regulation of health insurers by the Department of Insurance. Under existing law, the State Department of Health Services is responsible for public health matters and is authorized to adopt regulations regarding those matters.

This bill would require the Department of Managed Health Care, the Insurance Commissioner, and the State Department of Health Services, acting in conjunction with each other, to form a task force to develop standards for prescription drug plans.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1348.5 is added to the Health and Safety
2 Code, to read:

3 1348.5. The department in conjunction with the Department
4 of Insurance and the State Department of Health Services, shall
5 form a task force to develop standards that are consistent with
6 federal and state law for licensing prescription drug plans as
7 authorized by the federal Medicare Prescription Drug,
8 Improvement, and Modernization Act of 2003 (Public Law
9 108-173).

10 SEC. 2. Section 100186 is added to the Health and Safety
11 Code, to read:

12 100186. The department in conjunction with the Department
13 of Insurance and the Department of Managed Health Care, shall
14 form a task force to develop standards that are consistent with
15 federal and state law for licensing prescription drug plans as
16 authorized by the federal Medicare Prescription Drug,
17 Improvement, and Modernization Act of 2003 (Public Law
18 108-173).

19 SEC. 3. Section 12939 is added to the Insurance Code, to
20 read:

21 12939. The commissioner in conjunction with the State
22 Department of Health Services and the Department of Managed
23 Health Care, shall form a task force to develop standards that are
24 consistent with federal and state law for licensing prescription
25 drug plans as authorized by the federal Medicare Prescription
26 Drug, Improvement, and Modernization Act of 2003 (Public Law
27 108-173).

28 SEC. 4. This act is an urgency statute necessary for the
29 immediate preservation of the public peace, health, or safety
30 within the meaning of Article IV of the Constitution and shall go
31 into immediate effect. The facts constituting the necessity are:
32 Due to the specified deadlines for complying with the licensure
33 requirements for prescription drug plans imposed by federal law,
34 it is necessary that this act take effect immediately.

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